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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, NOVEMBER 1, 2002

COMMONWEALTH OF VIRGINIA

At the relation of the

STATE CORPORATION COMMISSION

v.

CASE NO. INS-2002-00709

KELCO VIATICAL SERVICES, INC.,

Defendant

ORDER TO TAKE NOTICE

Pursuant to § 38.2-5701 of the Code of Virginia, the Commission may suspend or revoke the license of any viatical settlement provider to transact the business of viatical settlements in the Commonwealth of Virginia whenever the Commission finds that the licensee has been subject to a final administrative action or has otherwise been shown to be untrustworthy or incompetent to act as a viatical settlement provider.

Kelco Viatical Services, Inc. ("Defendant"), licensed by the Commission on January 1, 1998, to transact the business of a viatical settlement provider in the Commonwealth of Virginia, is a viatical settlement provider domiciled in the State of Kentucky in the name Kelco, Incorporated.

On July 11, 2002, an indictment was filed in the United States District Court, Eastern District of Kentucky (the

"Indictment"), whereby a federal grand jury charged Kelco, Incorporated and Stephen L. Keller, its owner, President and Chief Executive Officer, among others, with forty-seven (47) counts of conspiracy to defraud and commit money laundering, mail fraud, wire fraud, and money laundering.

Based upon the Indictment, the Kentucky Department of Insurance issued an Order Suspending License of Kelco, Incorporated on July 23, 2002.

The Bureau of Insurance has recommended that, based on the foregoing, the license of Defendant to transact the business of a viatical settlement provider in the Commonwealth of Virginia be suspended.

IT IS THEREFORE ORDERED that Defendant TAKE NOTICE that the Commission shall enter an order subsequent to November 15, 2002, suspending the license of Defendant to transact the business of a viatical settlement provider in the Commonwealth of Virginia unless on or before November 15, 2002, Defendant files with the Clerk of the Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, a request for a hearing before the Commission with respect to the proposed suspension of Defendant's license.